

FY 98 - 99



Wisconsin Department of Revenue Madison, Wisconsin 53708

Many thanks to all IS&E employes for their continued dedication to the division.

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Note: The IS&E Annual Report was formerly known as the Selected Collection Data Report.

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PART 1: MESSAGE FROM THE ADMINISTRATOR

We have much to look forward to.

We must never lose sight of how knowledgeable and dedicated our employes are. Our employes form the foundation by which we can be successful and reach a high level of customer satisfaction. We must nurture our employes and support employe learning so that everyone is prepared to meet the challenges ahead. This is often a difficult task to do in state government given our limited resources. However, we are actively trying to move forward in areas, which, I believe, will help our employes over the long term and will, at the same time, lead us to be more successful as an organization and to reach the highest levels of *organizational excellence*.

We are moving into a beautiful new headquarters building in Madison in November 2000 that has been designed just for us. The Milwaukee District Office employes are enjoying their bright new offices and the sixth floor in Milwaukee will be renovated next. Our work environments are so important to how we do our jobs and how we service taxpayers. These improvements support *organizational excellence*.

We continue to work on and devote many resources to the Integrated Tax System (ITS). We all know how desperately we need new technology to help provide customer service and satisfaction. Your management is committed to making this happen and fortunately, the legislature has provided the resources. The ITS will further us toward *organizational excellence*.

We will reorganize the division into another bureau, the Customer Service Bureau. The goal is to focus our attention on servicing taxpayers who need our help and improving voluntary compliance. Employes will receive special customer service training and be provided on-line research materials. Ultimately, the ITS will allow us to focus on the taxpayer rather than tax type silos. Customer satisfaction will further us toward *organizational excellence*.

We are committed to improving leadership skills in all of our managers at every level. Employes told us through the UW study that leadership skills need to be improved. We will devote resources and time to train, coach and provide feedback to all managers in the next year. Supportive and accountable leaders will further us toward *organizational excellence*.

Division managers are now using key strategic measures to monitor how we are doing and what needs improvement. (Check the Intranet for division performance measures.) We intend to use quarterly feedback meetings among all managers to monitor our progress in making improvements in key areas through actively reviewing the measures and related action plans. In the long run we hope to get employes at all levels of the organization to focus on making improvements and using measures to monitor progress towards improvement. Active use and review of meaningful data will lead us toward organizational excellence.

There is sales tax simplification in our future. Governor Thompson has requested the Department to lead the nation in sales tax simplification for remote vendors and local retailers alike. Division employes will be actively involved in working with other states to develop model legislation and new administrative procedures for all states. A customer focus, quality processes, and simplified law will further us toward *organizational excellence*.

We will have new tools like the data warehouse to improve what we do. We will be developing a highly automated excise tax system that will be linked to the ITS registration and accounting components. We will continue to enhance the delinquent tax system to give the agents the tools they need. We will do everything possible to improve the pay of limited term employes. We will also try to provide needed training for employes. Finally, we will be working with everyone to help identify new ways to recognize employes for their work quality and work productivity. Employe learning, innovation and recognition will further us toward *organizational excellence*.

A recent article within the IRS' Leader's Digest indicates that mental attitude is the primary factor in success. The article discussed "owners" of change. Owners embrace new changes as opportunity, challenge and adventure, leading to higher productivity and greater satisfaction. As we move forward with our plan for *organizational excellence*, I would like to ask everyone to consider being an owner and embrace the changes. We may never have this opportunity again.

Please join me in helping to move the division ahead towards a better future.

Diane L. Hardt, IS&E Division Administrator

PART 2: IS&E DIVISION OVERVIEW

Our Mission

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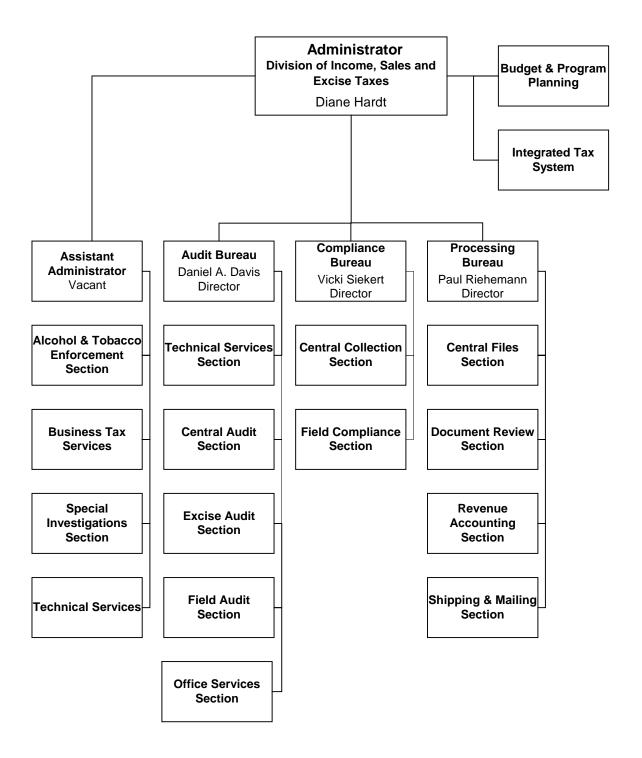
Division of Income, Sales, and Excise Tax

Our Mission

The Income, Sales, and Excise Tax

Division administers Wisconsin's tax
laws by providing excellent service,
encouraging voluntary compliance,
identifying and addressing
noncompliance, and promoting
fairness and equity in tax
administration.

IS&E Organization Chart



Organization

The Income, Sales, and Excise Tax Division (IS&E) has approximately 800 permanent and 120 full-time equivalent limited term employes. Every year the division also employs several hundred limited term employes. Employes of the division are located in Appleton, Eau Claire, Madison, Milwaukee, and branch offices in 30 other cities throughout Wisconsin. There are also offices in Chicago, New York, and Minneapolis. The division is comprised of three bureaus and an administrative staff.

ADMINISTRATION

The primary responsibility of the office of the Administrator is to provide leadership and coordination of the activities of the division. This office sets policy for the administration of the tax laws. The *administrative staff* monitors the operating budget, provides leadership in the area of quality improvement, directs information technology activities, and provides space management. The *Technical Services Section* provides research assistance, directs legislative and rule-making activity, and designs tax returns and publications. *Special Investigations* assists in the prosecution of criminal violations of state tax laws, and locates non-filers. The *Alcohol & Tobacco Enforcement Section* enforces state laws and regulations pertaining to cigarettes, tobacco products, and alcohol beverages. The *Business Tax Services Section* registers businesses for permits and licenses, provides technical assistance, and maintains the sales and withholding tax systems.

AUDIT

The Audit Bureau encourages taxpayer compliance through office and field audits and by issuing assessments and refunds as appropriate. The Audit Bureau shares responsibility with the Compliance Bureau for taxpayer assistance. The *Central Audit Section* office audits returns, conducts non-filer programs, facilitates self-audits, and provides telephone and over-the-counter taxpayer assistance. The *Field Audit* and *Excise Audit Sections* audit tax records of businesses, from sole proprietorships to international corporations. Field audits are performed within Wisconsin, and throughout the United States.

COMPLIANCE

The Compliance Bureau is responsible for collecting delinquent taxes, and state agency debts. The Bureau shares responsibility with the Audit Bureau for taxpayer assistance. The *Central Collection Section* contacts new delinquent accounts by telephone and letter, and intercepts refunds to offset debts. The *Field Compliance Section* collects delinquent taxes through personal contact with taxpayers, obtains returns from nonfilers, and assists taxpayers.

TAX PROCESSING

The Tax Processing Bureau processes all incoming and outgoing mail, deposits and accounts for all revenues, and captures and stores tax return data. The *Central Files Section* stores and retrieves taxpayer files. The *Document Review Section* processes 2.7

million income tax returns, issues refunds for all taxes, and maintains the income tax systems. The *Revenue Accounting Section* processes corporate tax returns, and deposits and accounts for all tax revenues collected. The *Shipping and Mailing Section* processes incoming and outgoing mail, scans over 1 million returns, and provides general support services.

Strategic Business Plan

IS&E continues to update its strategic business plan on a yearly basis and to develop corresponding measures. The division's strategic plan identifies eight strategic goals. The goals have not changed significantly from the previous year's strategic plan.

1. Increase voluntary compliance.

Most people want to comply with the tax laws. Fair and simple tax laws, forms and processes along with education of taxpayers, aid in achieving voluntary compliance. The "tax gap" is defined as total tax liability less self-reported liability and enforcement collections. By increasing self-reported liability, we will reduce the "tax gap."

2. Use effective enforcement measures to address noncompliance.

Our audit and collection efforts ensure that those persons audited who are not voluntarily complying with the tax laws are made to pay their fair share. Persons who voluntarily comply with the tax laws have more confidence in a tax system where all persons are expected to comply. When the "tax gap" is defined as total tax liability less self-reported liability and enforcement collections, we expect to reduce the "tax gap" by use effective enforcement measures to address noncompliance collections.

3. Improve tax collection fairness.

This fairness goal aligns with the Department's fairness goal. Compliance with tax laws depends on the public's confidence in fair treatment. Employes should treat taxpayers fairly in providing customer service. Fairness should be a high priority as the division develops and applies tax policies and procedures.

4. Improve cycle time and accuracy

We place a high value on quick and efficient service to the public. One obvious measure of our efficiency is how fast we issue tax refunds. But there are many other opportunities for us to provide timely service to the public.

5. Increase participation in developing tax policy.

We have identified many law changes which would result in more equitable tax policy or would help taxpayers more easily comply with the law. We need to better advocate for more participation in the legislative process.

6. Increase external customer satisfaction.

The Department has established a goal for increasing external customer satisfaction. Every department business area should have mechanisms in place to solicit customer reactions and expectations and to assess how we are meeting customer needs.

7. Improve effectiveness of our employes and managers.

Division managers must provide employes with the tools and training necessary to be successful. Division managers must also support employe and recognize good performance. The division will strive for a diverse work force. The division will also support mentoring and internship programs to help recruit new employes and to prepare employes for management positions. Division managers will set examples of accountability and expect the same from all employes.

8. Improve division management information and measure our division performance in selected areas.

The Department has established a goal of providing timely and accurate information to the public and policy makers so they can make well-informed decisions. We have a great need for more information and more accessible information to be more effective in our jobs and to serve the public better.

Selected Accomplishments

- Obtained funding for an ITS. Completed the master plan and requirements definitions for the registration, accounting and sales tax components.
- Renovated the Milwaukee District Office, fourth floor, to improve the work environment for our employes.
- Planned for a Customer Service Bureau and developed a customer service action plan in the Central Collection Section.
- Completed a tax amnesty program.
- Upgraded our returns imaging and retrieval systems.
- Placed a networked personal computer on every knowledge worker's desk, connected to the internet and a common e-mail platform and including uniform business software.
- Implemented a sales tax rebate in less than two months.
- Implemented a delinquent tax system that uses a client server platform and includes a case management component.
- Developed organizational performance measures to monitor organizational performance.
- Developed partnership with the University of Wisconsin to work with division in quality improvement.
- Conducted post implementation review of key technology projects for the division.
- Implemented an internet sales tax filing system.
- Obtained a skills-based pay system for field auditors and related management to retain employes with specialized skills.
- Implemented new telephone system in the Business Tax Registration Unit and Central Collection Section.
- Expanded the delinquent tax and occupational licensing hold program to all state agencies.
- Offered personal income tax filing over the Internet. Promoted free filing to college students across the state.
- Redesigned the individual income tax Form 1 to be scannable.
- Converted DTS to the state standard Windows NT environment.
- Implemented expanded write-off authority for delinquent taxes.
- Examined taxpayer fairness issues and identified areas of improvement.
- Provided an Internet refund inquiry system.

- Increased the reliability, speed and capacity of our computer network.
- Developed and implemented an on-line division newsletter (Currents).
- Converted word processing systems to state standard software.
- Provided project management training for employes and supervisors involved in projects.
- Automated fuel diversion reporting.
- Piloted a simplified use tax reporting mechanism for large corporations.
- Trained all division employes in confidentiality and browsing laws.
- Completed a study of centralized state debt collection.

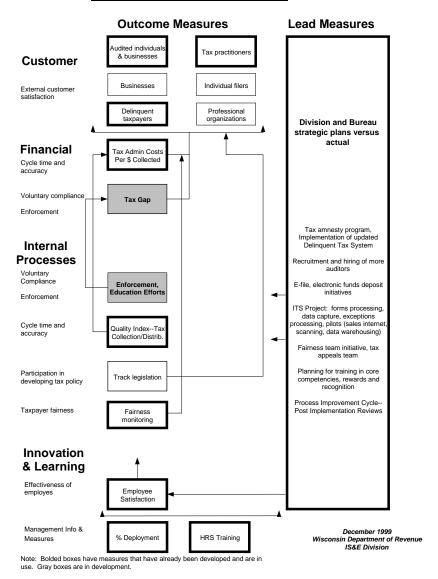
PART 3: KEY STRATEGIC MEASURES

Strategic Measures

The division continues to develop strategic measures using the framework of the balanced scorecard¹ (Figure 1.1). The scorecard uses four key dimensions to monitor and track strategy: external customer, financial, internal processes and innovation and learning. Both long-term (outcome) and short-term (lead) measures are incorporated into the scorecard.

Figure 1.1:

IS&E Division Balanced Scorecard



¹ For more information, see "The Balanced Scorecard" Robert S. Kaplan and David P. Norton, Harvard Business School Press, 1996.

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External Customer Dimension

The division has one strategic external customer goal--the same goal as the department's:

Improve external customer satisfaction.

During FY99 the division continued to collect data on its key external customers: audited taxpayers and taxpayers who use walk-in taxpayer assistance offices. (Customer comment cards are available at all district and branch offices throughout the state.) Audited taxpayers are asked to evaluate the department on key dimensions such as fairness, knowledge of tax laws, courteousness and professionalism of the auditor, auditor's responsiveness, understanding of procedures or notices (Figure 1.2). The data show that overall, there is a relatively high degree of taxpayer satisfaction with treatment received by the division's auditors.

A survey to receive feedback from delinquent taxpayers was developed during FY99 and results from this survey are expected during FY00. During FY00 the division also plans to develop taxpayer customer feedback mechanisms for individual income taxpayers and for new business tax registration applicants, in addition to collecting customer satisfaction data from telephone inquiries.

Division employes use customer satisfaction data to review areas that show lower customer responses. In addition, comments from the customer comments cards are used to make improvements at the district or branch level. The division plans to more actively discuss and use the customer satisfaction data in a systematic way to make improvements in key processes.

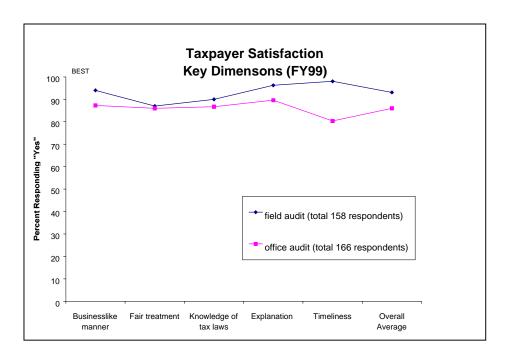


Figure 1.2

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Financial Dimension

The division has three main strategic financial goals:

- Increase voluntary compliance
- Improve cycle time and accuracy
- Use effective enforcement measures to address non-compliance.

These financial goals are closely related to the department's strategic financial goals:

- Increase voluntary compliance
- Improve operational efficiency

The following graphs summarize selected financial data for the division's key processes: overall collections, audits and audit actions, delinquent collections, processing returns and issuing refunds (Figures 1.3 - 1.5). There are other financial data available but not shown here for areas such as the Special Investigations Unit.

There are positive improvement trends noted in some of the measures--in particular total revenue collected per total dollar spent (Figure 1.3), and total revenue collected per FTE (Figure 1.4). It is too early to tell yet with measures such as the cost of processing an individual income return (Figure 1.5). The division expects to see cost numbers improve as the ITS project is implemented throughout the department.

The division plans to develop more key financial measures in FY00, especially the cost of processing returns over the coming years, and to put into place a systematic process by which these data are discussed and used in decision making to make improvements on key processes.

Figure 1.3

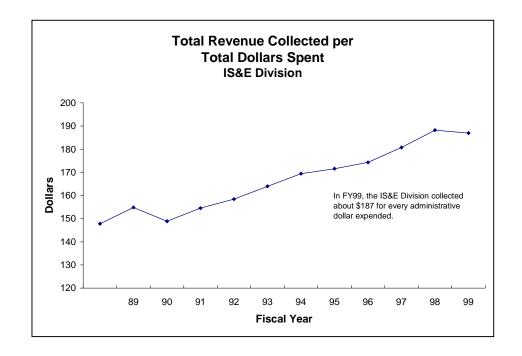


Figure 1.4

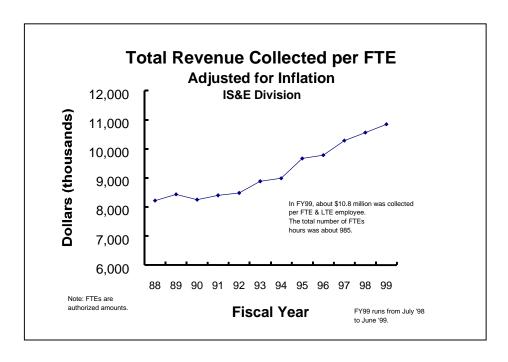
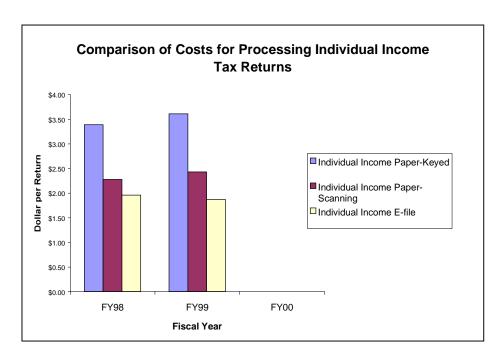


Figure 1.5



Internal Processes Dimension

The division has five strategic goals that are related to internal processes:

- Increase voluntary compliance
- Increase enforcement
- Improve cycle time and accuracy
- Improve tax collection fairness
- Increase participation in developing tax policy.

These goals are closely aligned with the department's strategic process goals of:

- Increase voluntary compliance
- Improve operational efficiency
- Improve tax collection fairness
- Increase participation in developing tax policy

The graphs below summarize selected internal processes data for the division's key processes related to improving cycle time and accuracy: an overall assessment, collections, audits and audit actions, delinquent collections, processing returns and issuing refunds (Figures 1.6 - 1.13).

The division has yet to see the expected improvements in these areas as the department is in the beginning stages of the ITS project. However, the division expects to see improvements in many of these measures over the long term course of the ITS project.

In FY 2000, the division plans to continue to develop key internal process measures as identified by the division, especially in the area of voluntary compliance. It also plans to implement recommendations resulting from the fairness focus groups held internally during FY99. Finally, the division plans to put into place a systematic review process of improvements in key processes.

Figure 1.6

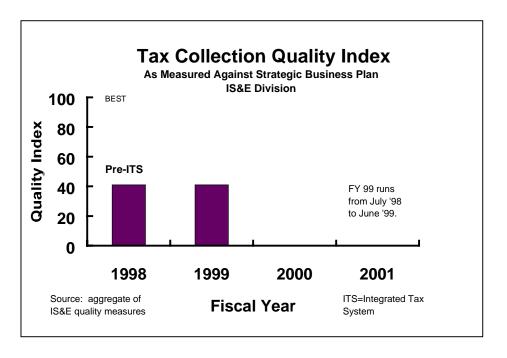


Figure 1.7

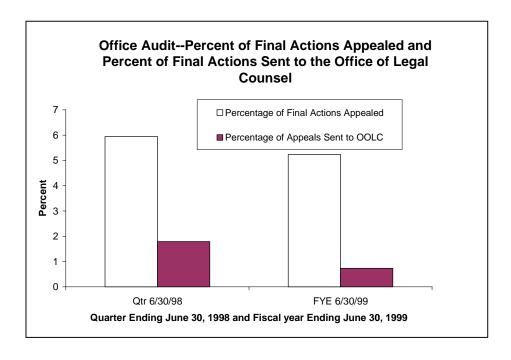


Figure 1.8

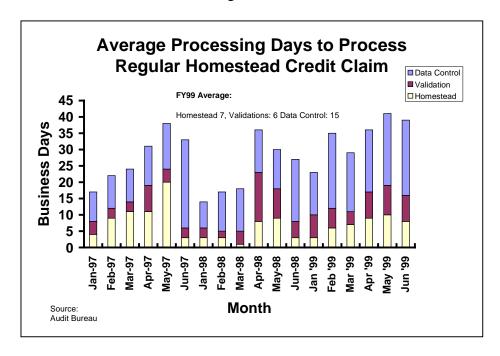


Figure 1.9

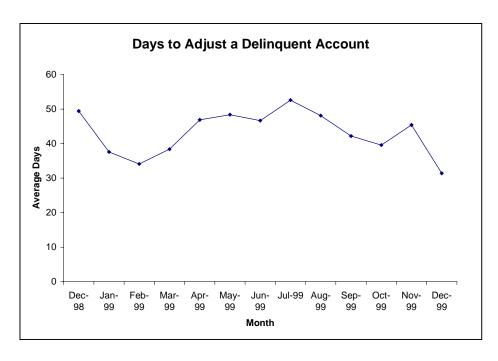


Figure 1.10

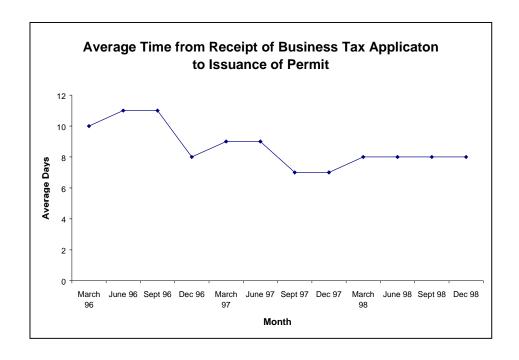


Figure 1.11

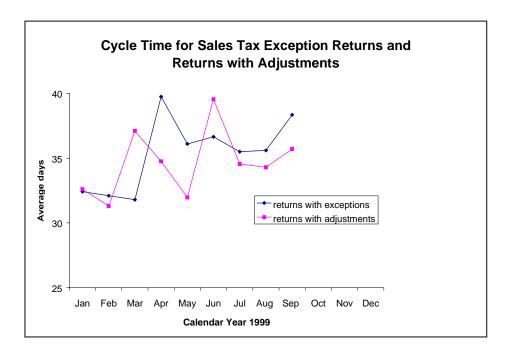


Figure 1.12

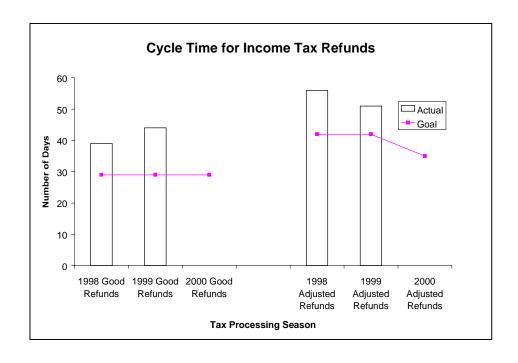
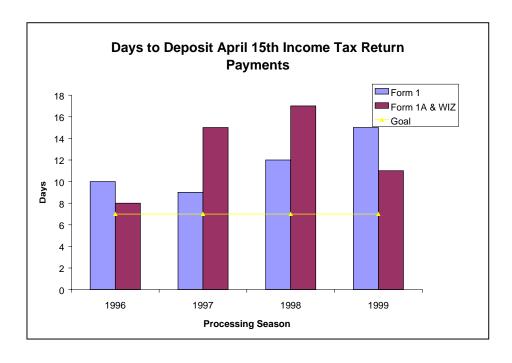


Figure 1.13



Learning & Innovation Dimension

The division has two strategic goals that are related to learning and innovation:

- Improve the effectiveness of our employes, supervisors and other managers
- Improve the division management information system and measure our division performance in selected areas

The division goals are related to the following department goals:

• Improve the effectiveness and quality of the work environment of our employes.

During the last two years, the department has conducted surveys of its employes on their satisfaction. In FY98 the department conducted an internal e-mail survey to obtain feedback from employes regarding several key aspects of the department: management and leadership, communication, participation and involvement, diversity, information technology, training, physical work environment and overall satisfaction.

Building on the 1998 survey, the department partnered with the University of Wisconsin in 1999 to conduct an employe survey based on the Wisconsin Forward and Malcolm Baldrige quality criteria.

The data on job satisfaction provide a baseline by which to compare future progress in the area of job satisfaction (Figure 1.14). The data shown are from FY99, but there is also data available for FY98 from the internal e-mail survey that the department used.

The graphs showing electronic filing and electronic funds transfer (Figure 1.15-1.16) reflect the division's priority to move towards more electronic processing, thereby making our jobs easier and giving the division the opportunity to focus its human resources on more analytic, "knowledge" type of work.

During the next fiscal year, the division plans to develop short term measures in the areas of training, IT infrastructure, the ITS project and leadership development that will help the division gauge progress. The division will also measure progress towards responding to key issues identified by this year's employes survey.

Figure 1.14

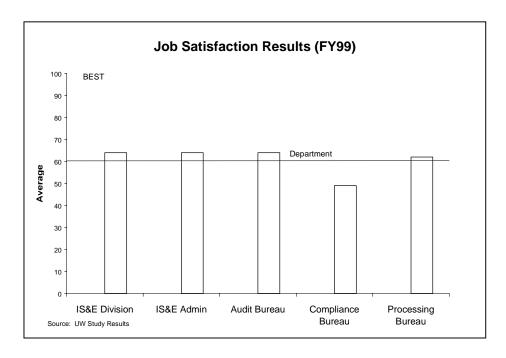


Figure 1.15

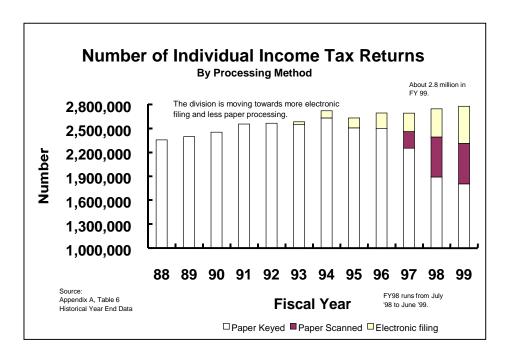
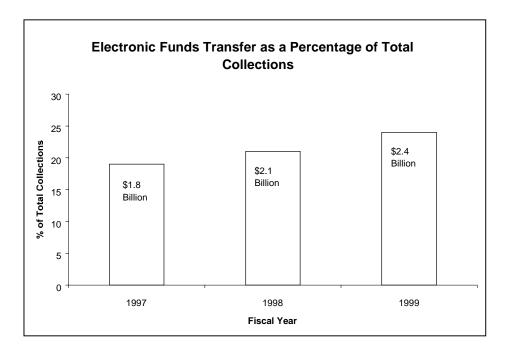


Figure 1.16



PART 4: KEY OPERATIONAL DATA

The division collects many different types of operational data that it uses to monitor its operations on a regular basis. (Examples of key operational data can be found in Appendix A of this document.)

Over the last fiscal year, total collection dollars continued to increase slightly from previous years. Fiscal year 98-99 produced over \$10 billion dollars in revenue, representing a 4% increase from the previous fiscal year (Figure 1.17). Total collections include enforcement collections (additional and delinquent collections). Enforcement collections have decreased slightly between FY98 and FY99 (Figure 1.18). Both Figures 1.23 and 1.24 include a ten year historical perspective comparing nominal dollars and inflation adjusted dollars using the Consumer Price Index. Major sources of revenue tax dollars are: individual income, sales & use, motor fuel, corporation income/franchise, cigarette/tobacco, county sales/use tax, petroleum inspections fee, and estate/inheritance (Table 1.19).

The division continues to examine how to obtain better information regarding use tax. Internal teams within the division continue to identify methods to obtain more accurate use tax information. Figure 1.2 shows estimated use tax collections in the division over the last three years.

Monitoring refund claims reduced or denied is an important operational measure for the division, because it partially reflects the degree to which taxpayers are filing correctly. Over the past four years the amount of refund claims reduced or denied has been increasing but slightly decreased between the 98 and 99 fiscal years (Figure 1.21). The reasons for the increase are probably a mixture of incorrect filing and special cases reviewed by the Audit Bureau.

Setoff programs identify taxpayers who have outstanding debt owed to other state agencies, including the Department of Revenue. Figure 1.30 shows that the amount collected has been increasing over time.

As the department implements the ITS project, the division expects to see significant improvement in the quality and timeliness of its operational data.

Figure 1.17

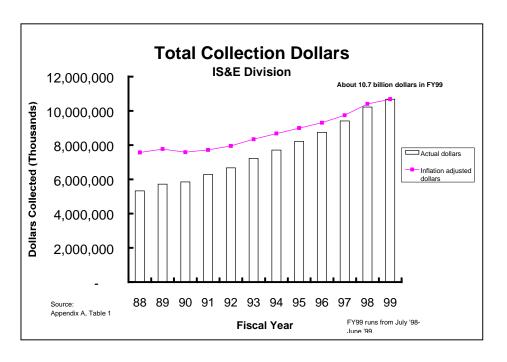


Figure 1.18

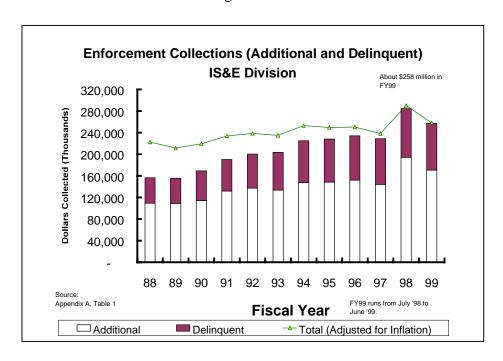


Figure 1.19

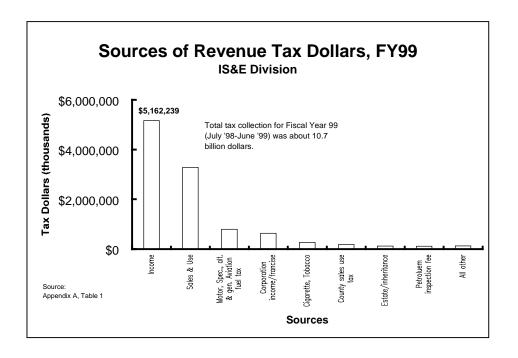


Figure 1.20

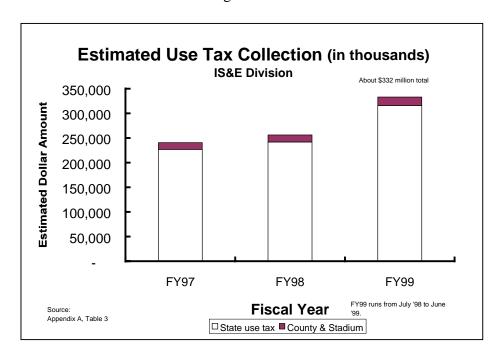


Figure 1.21

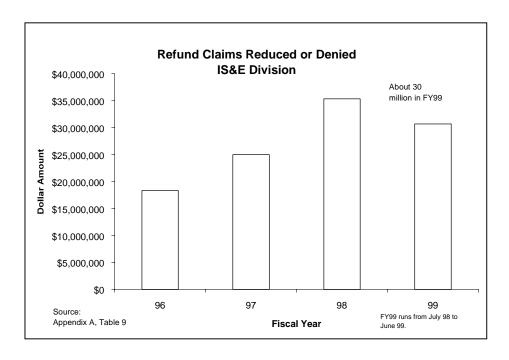
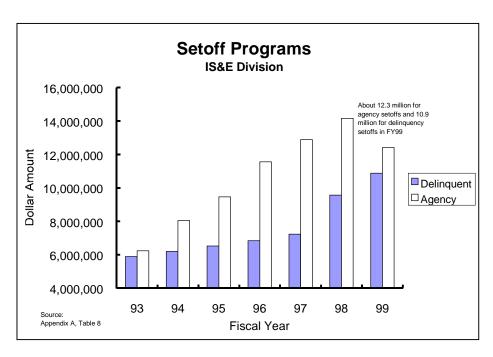


Figure 1.22



APPENDIX A: TAX DESCRIPTIONS AND DETAILED TABLES

Tax Descriptions

The Income, Sales, and Excise Tax Division is responsible for administering the following taxes:

INDIVIDUAL INCOME TAX

Wisconsin's individual income tax, enacted in 1911, is the oldest income tax law in the nation, preceding the federal law by two years. There have been a number of important changes to the individual income tax over the years. In 1962, payroll withholding and quarterly declarations were introduced to create a pay-as-you-go tax system. In 1965, the law was changed to conform to the Wisconsin income tax to the federal individual income tax. Wisconsin taxable income is based on federal adjusted gross income, with modifications, and less the Wisconsin standard deduction. The top tax rate is 6.77% for 1999 (changing to 6.75% for 2000). Several credits may be deducted from the initial tax, including: dependent credit, senior citizen credit, Wisconsin itemized deduction credit and married couple credit.

CORPORATE INCOME AND FRANCHISE TAX

There are actually two state taxes on corporations. The corporate income tax, imposed since 1911, is a tax on the net income of corporations doing business in the state. The corporate franchise tax, imposed since 1965, is a tax on the privilege of doing business in the state. The distinction between the two taxes relates primarily to the restrictions under federal law on the types of income that states can tax with an income tax (e.g., interest from U.S. obligations). Corporations pay one or the other of these taxes; the majority pay the franchise tax. In 1987, a law change federalized the determination of net taxable income for the corporate income and franchise taxes. Corporate taxpayers are subject to tax on the Wisconsin apportioned share of their federal net taxable income, with some adjustments. There is a flat tax rate of 7.9%.

RECYCLING SURCHARGE

Legislation during 1991 established a temporary recycling surcharge equal to 5.5% of the gross tax liability of corporations, and 0.4345% of the net business income of all nonfarm sole proprietorships, partnerships, and tax-option corporations. 1998 legislation cut tax rates by half: 2.75% of the gross tax liability of corporations, and 0.2173% of the net business income. Legislation effective for 2000 replaced the temporary recycling surcharge with a permanent surcharge for corporations, individuals, estates, trusts and partnerships engaged in a trade or business that have \$4,000,000 or more in gross receipts. (more than \$1,000,000 for individuals, estates, trusts and partnerships engaged in farming, who are subject to a \$25 surcharge.) The new surcharge rates are 3% of the gross tax liability of corporations except tax-option corporations which are subject to a surcharge of 0.2% of net income and 0.2% of the net business income of all non-farm sole proprietorships, estates, trusts and partnerships. The minimum (\$25.00) and

maximum (\$9800) amount of surcharge remained the same. Revenues from the recycling surcharge are used to fund local government recycling and solid waste management programs, and private business efforts to develop recycled products or markets related to these products.

STATE SALES AND USE TAX

Wisconsin's first sales tax was a 3% selective sales and use tax effective in 1962. In 1969, a general sales and use tax came into effect. Currently, a 5% sales tax is imposed upon gross receipts from the sale, lease or rental of all tangible personal property, unless specifically exempt, and specified services. Where sales tax is not paid, a 5% use tax is imposed on the storage, use, or other consumption in Wisconsin of these same items. Taxable services include: the furnishing of hotel rooms; admissions to entertainment events; telecommunications services; dry cleaning; photographic services; parking; printing; the repair, cleaning and maintenance of tangible personal property; cable television services; and landscaping.

There are many exemptions from the sales and use tax. Examples of exemptions are: food and beverages for off-premise human consumption, prescription medicines, newspapers, farm machinery, and tangible personal property consumed in manufacturing.

LOCAL SALES AND USE TAXES

County sales and use tax. A county may levy a sales and use tax of 0.5%. The tax applies to the same items and services taxed by the state sales and use tax. As of January 1, 2000, 53 counties adopted a tax, which the state collects and administers for them.

Stadium sales and use tax. The stadium tax was created for the purpose of assisting in the development of a professional baseball park in Wisconsin. The tax rate is 0.1%, imposed on the sale of and the storage, use, or consumption of tangible personal property and taxable services in five Wisconsin counties which make up the "stadium district."

Local exposition district taxes. The city of Milwaukee has established a Local Exposition District in order to finance an exposition center. The following taxes are imposed within municipalities located wholly or partially in Milwaukee county: 0.25% food and beverage tax; 3% car rental tax; 2% room tax; and 7% additional room tax in the city of Milwaukee.

Premier resort area tax. A political subdivision may become a "premier resort area" if at least 40% of the equalized assessed value of its taxable property is used by tourism-related retailers. The premier resort area tax is 0.5% of the gross receipts from the sale, lease or rental of goods or services that are: (a) made within the premier resort area, (b) taxable under the general sales and use tax laws, and (c) made by tourism businesses. The proceeds of the tax are used for infrastructure within the premier resort area. Currently, there are two premier resort areas: the City of Wisconsin Dells and the Village of Lake Delton.

ESTATE TAX

For deaths on or after January 1, 1992, Wisconsin imposes an estate tax. (For deaths prior to January 1, 1992, Wisconsin imposed an inheritance tax; for gifts prior to January 1, 1992, Wisconsin imposed a gift tax). The Wisconsin estate tax is the state death tax credit allowed under the federal estate tax. The state picks up, as a tax, the amount of federal credit allowable. There is no additional death tax burden on an estate.

MOTOR VEHICLE, AVIATION, AND ALTERNATE FUEL TAXES

Motor vehicle fuel means gasoline and diesel fuel. Licensed motor vehicle fuel suppliers pay the tax based on their withdrawals from a pipeline terminal. The tax is then passed through the distribution chain to the end consumer. Effective April 1, 2000, the excise tax is 26.4ϕ per gallon.

The tax on aviation fuel (used to propel an aircraft) is 6¢ per gallon. Alternate fuel is all combustible gases and liquids, other than motor vehicle fuel or aviation fuel, used to propel a motor vehicle. Effective April 1, 2000, the tax on alternate fuel is: 19.3¢ per gallon (LPG-liquefied petroleum gas) and 21.1¢ per gallon (CNG—compressed natural gas).

LIQUOR, WINE, AND BEER TAXES

The distilled spirits, wine, and beer taxes are occupational taxes paid by (a) the Wisconsin wholesaler who imports the beverage from a foreign country, (b) the out-of-state shipper who ships the beverage into Wisconsin, or (c) the Wisconsin distillery, winery, or brewery. The distilled spirits tax is 85.86ϕ per liter. The wine tax is either 6.605ϕ per liter for wine that is 14% or less alcohol, or 11.89ϕ per liter for wine that is more than 14% alcohol. The beer tax is \$2.00 per a 31 gallon barrel.

CIGARETTE AND TOBACCO PRODUCTS TAXES

The cigarette tax is paid by distributors who purchase tax stamps from the Department of Revenue, which they apply to each pack of cigarettes. The tax is then passed through the distribution chain to the end consumer. The tax is 59ϕ on a 20-pack. Tobacco products are cigars, cheroots, snuff, chewing tobacco, and other forms of tobacco prepared for chewing or smoking in a pipe. A 20% excise tax is imposed on the manufacturer's list price of these products and paid by the manufacturer, shipper, or distributor.

CONTROLLED SUBSTANCES TAX

The controlled substances, or "drug tax", is an occupational tax on persons who possess amounts of controlled substances in excess of certain thresholds. The tax will generally apply only to dealers of controlled substances. Dealers pay the tax by purchasing tax stamps that serve as evidence that the tax has been paid. Dealers who fail to comply with the tax and are found to be in possession of controlled substances are assessed a penalty equal to 100% of the amount of tax due in addition to the tax.

FEES

The Income, Sales, and Excise Tax Division collects the following fees:

The business tax registration fee is charged for obtaining or renewing a business tax registration certificate. The certificate is required for persons who hold tax-related permits and licenses. The delinquent account fee is assessed on taxpayers who owe delinquent taxes, interest and penalties. Dry cleaning fees are required to be paid by persons operating dry cleaning facilities, or by persons selling or possessing dry cleaning solvents. A 3% rental vehicle fee is imposed on the short-term rental of certain vehicles, for a period of 30 days or less by businesses primarily engaged in the short-term rental of vehicles. A 5% fee is imposed on providing limousine service. The petroleum inspection fee funds the Petroleum Environmental Cleanup Fund Award Program, petroleum tank and inspection programs, and clean air and environmental programs in Wisconsin.

TABLE 1
TAX COLLECTIONS BY TAX TYPE (thousands)

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99		
TOTAL COLLECTIONS								
Individual income tax	\$3,638,794	\$3,904,533	\$4,157,444	\$4,544,739	\$5,047,324	\$5,162,239		
Corporation income/franchise tax	541,284	631,750	636,010	643,822	627,024	635,203		
State sales/use tax	2,427,900	2,571,212	2,704,226	2,864,373	3,047,406	3,284,695		
Gift tax 1	958	1,035	211	160	65	78		
Estate / Inheritance tax 1	52,245	39,729	45,391	50,665	80,046	116,820		
Beverage taxes	39,396	39,586	40,004	40,556	42,005	42,119		
Cigarette / Tobacco products taxes ²	180,171	183,836	205,351	213,348	257,096	266,818		
Homestead & misc. credit recovery 3	636	570	213	7	6,884	270		
Controlled substance tax ⁴	346	142	168	153	55	33		
TOTAL - GENERAL FUND TAXES	\$6,881,730	\$7,372,392	\$7,789,018	\$8,357,824	\$9,107,905	\$9,508,274		
Motor, spec., alt., & gen. aviation fuel tax	\$639,464	\$656,525	\$679,124	\$697,378	\$747,137	\$798,693		
Temporary recycling surcharge	47,630	40,585	41,578	51,479	53,615	35,755		
County sales/use tax	133,455	142,619	150,501	160,410	175,230	185,541		
Stadium sales/use tax	N/A	N/A	6,372	17,191	18,333	20,734		
Local exposition district tax	N/A	2,272	9,858	10,776	11,073	13,352		
Business tax registration fee 5	N/A	N/A	0	67	1,013	1,998		
Delinquent tax collection fee	6,452	6,353	8,848	9,497	9,449	9,953		
Petroleum inspection fee	N/A	N/A	52,004	105,736	103,842	110,953		
Endangered resources donation	614	600	621	566	547	640		
TOTAL COLLECTIONS	\$7,709,344	\$8,221,346	\$8,737,925	\$9,410,923	\$10,228,145	\$10,685,893		
ADDITIONAL COLLECTIONS INCLUDED IN TOTAL COLLECTIONS								
Individual income tax	\$47,373	\$46,725	\$46,986	\$51,836	\$59,599	\$52,290		
Corporation income/franchise tax	28,709	28,281	25,226	29,257	51,652	39,797		
Sales/use tax	62,797	59,563	73,995	58,009	69,566	62,844		
Gift tax 1	881	932	207	114	44	74		
Estate / Inheritance tax 1	2,262	5,620	1,029	1,337	3,465	6,905		
Excise taxes ⁵	4,110	5,866	2,956	2,171	1,363	6,884		
Temporary recycling surcharge	648	866	812	958	1,386	1,246		
Local exposition district tax	N/A	0	357	617	306	435		
Homestead & misc. credit recovery ³	636	570	213	7	6,884	270		
TOTAL ADDITIONAL COLLECTIONS	\$147,418	\$148,422	\$151,780	\$144,304	\$194,265	\$170,743		

TAX COLLECTIONS BY TAX TYPE (thousands)

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
DELINQUENT COLLECTIONS INCLUDED IN	TOTAL COLL	FCTIONS				
Individual income tax	\$38,948	\$40,996	\$42,084	\$43,934	\$48,397	\$46,586
Corporation income/franchise tax	3,753	4,251	3,841	3,611	3,696	3,127
Sales/use tax	26,621	26,641	26,924	26,606	27,938	26,437
Gift tax 1	4	37	0	4	4	0
Estate / Inheritance tax 1	82	102	83	50	81	14
Excise taxes ⁵	1,198	855	351	229	341	154
Temporary recycling surcharge	147	243	195	254	227	196
Local exposition district tax	N/A	0	60	238	125	137
Business tax registration fee ⁴	N/A	N/A	0	39	16	28
Delinquent tax collection fee	6,452	6,353	8,848	9,497	9,449	9,953
TOTAL DELINQUENT COLLECTIONS	\$77,205	\$79,479	\$82,385	\$84,462	\$90,275	\$86,632
DELINQUENT COLLECTIONS NOT INCLUDE	ED IN TOTAL (COLLECTION	S ⁸			
Real estate transfer fee	N/A	N/A	\$132	\$105	\$84	\$190
Utility tax	N/A	N/A	482	952	560	385
Manufacturing penalty	N/A	N/A	103	156	109	113
TOTAL DELINQUENT COLLECTIONS	N/A	N/A	\$717	\$1,213	\$753	\$688
NOT INCLUDED IN TOTAL COLLECTIO	NS					
TOTAL DELINOUENT COLLECTIONS 8	ATT 05	A =0.4==	DOD 107	405.07-	DOLOG	007.005
TOTAL DELINQUENT COLLECTIONS 8	\$77,205	\$79,479	\$83,102	\$85,675	\$91,028	\$87,320
TOTAL ENFORCEMENT COLLECTIONS	\$224,622	\$227,901	\$234,882	\$229,979	\$285,293	\$258,063

- 1. Gift and inheritance taxes were phased out over a 5-year period beginning with 20% reduction on 1/1/88; 40% reduction on 1/1/89; 60% reduction on 1/1/90; 80% reduction on 1/1/91 and 100% reduction on 1/1/92.
- 2. Cigarette tax increased to \$0.38 on May 1, 1992; to \$0.44 on September 1, 1995; and to \$0.59 on November 1, 1997. 70% of cigarette taxes are refunded to Native American tribes if sold on Native American land.
- 3. A new system was implemented in 1994-95 to detect erroneous credits before refund checks are issued. The increase in this GPR account is the result of transferring \$6.8 million from the county sales tax holding account that had accumulated over a number of years.
- 4. Controlled substance tax ---During the Fiscal Years 1990-1999, drug tax collections, including drug tax stamp sales, totaled \$1,184,429, of that amount refunds totaling \$861,466 were returned to 75 law enforcement agencies throughout the state that were involved in the drug tax arrests that led to subsequent collections of drug tax assessments.
- 5. FY97-FY99 updated this year based on new information.
- 6. Excise taxes include beverage, cigarette, tobacco products, and fuel taxes. The point of taxing motor vehicle fuel was moved to the terminal level effective 4/1/94, in 1993 Wisconsin Act 16.
- 7. Delinquent amounts for these three taxes administered by State and Local Finance Division are collected by IS&E's Compliance Bureau.
- 8. Total delinquent collections included in total collections does not include refunds.

Source: Revenue Accounting Section, Tax Processing Bureau, IS&E Division.

TABLE 2
TAX COLLECTION DETAIL BY TAX AND PAYMENT TYPE (thousands)

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
INDIVIDUAL INCOME TAX						
Withholding (initial)	\$3,274,722	\$3,544,388	\$3,739,225	\$4,005,264	\$4,307,798	\$4,640,992
Estimated tax (initial)	545,732	583,631	636,280	731,547	855,884	921,051
Paid with return (income & fiduciary)	158,627	176,754	207,947	239,722	290,658	266,316
Additional (income, fiduciary & withhldg.)	47,373	46,725	46,986	51,836	59,599	52,290
Delinquent (income, fiduciary & withhldg.)	38,948	40,996	42,084	43,934	48,397	46,586
Total collections	\$4,065,403	\$4,392,494	\$4,672,521	\$5,072,302	\$5,562,337	\$5,927,236
Less refunds ¹	(620,575)	(684,345)	(714,198)	(708,198)	(688,647)	(930,534)
Less endangered resources donation	(614)	(600)	(621)	(566)	(547)	(639.53)
Net collections	\$3,444,214	\$3,707,549	\$3,957,702	\$4,363,538	\$4,873,143	\$4,996,063
Add-back of "appropriation" tax credits						_
Homestead credit	\$109,393	\$100,911	\$96,324	\$86,769	\$79,817	\$77,181
Farmland Preservation credit	29,481	31,039	28,122	22,329	19,648	17,765
Farmland tax relief credit	15,374	15,003	14,772	12,438	10,650	10,845
Earned income credit	40,308	49,790	59,925	59,506	64,042	60,376
Development zone-jobs credit	17	235	508	63	0	0
Development zone-sales credit	7	6	91	96	25	9
Total tax credit add-backs	\$194,580	\$196,984	\$199,742	\$181,201	\$174,182	\$166,176
TOTAL COLLECTIONS/ADD-BACKS	\$3,638,794	\$3,904,533	\$4,157,444	\$4,544,739	\$5,047,324	\$5,162,239
CORPORATION FRANCHISE/INCOME TAX						
Estimated tax (all initial)	\$536,643	\$618,464	\$647,891	\$660,979	\$646,378	\$667,513
Paid with return	25,282	37,587	34,188	29,980	30,849	37,932
Additional	28,709	28,281	25,226	29,257	51,652	39,797
Delinquent	3,753	4,251	3,841	3,611	3,696	3,127
Total collections	\$594,387	\$688,583	\$711,145	\$723,826	\$732,575	\$748,368
Less refunds	(54,202)	(58,277)	(76,666)	(81,786)	(107,462)	(114,118)
Net collections	\$540,185	\$630,306	\$634,479	\$642,041	\$625,112	\$634,250
Add-back of "appropriation" tax credits						
Farmland Preservation credit	\$388	\$410	\$280	\$344	\$347	\$343
Farmland tax relief credit	492	544	369	501	469	374
Development zone-jobs credit	214	406	679	649	571	90
Development zone-sales credit	5	84	203	286	524	146
Total tax credit add-backs	\$1,099	\$1,444	\$1,531	\$1,781	\$1,912	\$953

TABLE 2-CONTINUED

TAX COLLECTION DETAIL BY TAX AND PAYMENT TYPE (thousands)

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
STATE SALES/USE TAX						
Initial	\$2,363,158	\$2,498,198	\$2,613,859	\$2,792,865	\$2,970,693	\$3,210,263
Additional ²	62,797	59,563	73,995	58,009	69,566	62,844
Delinquent	26,621	26,641	26,924	26,606	27,938	26,437
Total collections	\$2,452,576	\$2,584,402	\$2,714,777	\$2,877,480	\$3,068,197	\$3,299,544
Less refunds	(24,676)	(13,190)	(10,551)	(13,107)	(20,791)	(14,849)
NET COLLECTIONS	\$2,427,900	\$2,571,212	\$2,704,226	\$2,864,373	\$3,047,406	\$3,284,695
GIFT TAX						
Paid with return ³	\$74	\$74	\$12	\$42	\$17	\$4
Additional	881	932	207	114	44	74
Delinquent	4	37	0	4	4	0
Total collections	959	1,043	219	160	65	78
Less refunds	(1)	(8)	(8)	0	0	0
NET COLLECTIONS	\$958	\$1,035	\$211	\$160	\$65	\$78
ESTATE / INHERITANCE TAX						
Initial ³	\$50,836	\$35,325	\$45,170	\$51,401	\$78,716	\$111,790
Additional	2,262	5,620	1,029	1,337	3,465	6,905
Delinquent	82	102	83	50	81	14
Total collections	53,180	41,047	46,282	52,788	82,262	118,708
Less refunds	(935)	(1,318)	(891)	(2,123)	(2,217)	(1,888)
NET COLLECTIONS	\$52,245	\$39,729	\$45,391	\$50,665	\$80,046	\$116,820
BEVERAGE TAX						
Beer (initial)	\$9,101	\$8,957	\$9,184	\$9,107	\$9,257	\$9,157
Liquor (initial)	28,327	28,700	28,682	29,212	30,487	30,693
Wine (initial)	1,921	1,881	2,047	2,100	2,219	2,228
Additional	46	48	103	136	41	41
Delinquent	0	0	0	0	0	0
TOTAL COLLECTIONS	\$39,396	\$39,586	\$40,017	\$40,554	\$42,005	\$42,119
CIGARETTE & TOBACCO PRODUCTS TAX						
Cigarette (initial) ⁴	\$173,329	\$175,847	\$197,252	\$203,818	\$247,386	\$256,255
Tobacco products (initial)	6,278	6,920	7,325	8,621	9,258	9,299
Additional	564	1,067	767	902	442	1,258
Delinquent	0	2	6	7	10	5
TOTAL COLLECTIONS	\$180,171	\$183,836	\$205,351	\$213,348	\$257,096	\$266,818

TABLE 2 - CONTINUED

TAX COLLECTION DETAIL BY TAX AND PAYMENT TYPE (thousands)

<u>1993-94 1994-95 1995-96 1996-97 199</u>	7-98 1998-99
MOTOR, SPECIAL, GENERAL AVIATION & ALTERNATE FUEL TAX	
Initial motor vehicle fuel tax ⁵ \$548,306 \$660,216 \$694,370 \$716,864 \$759	,759 \$813,957
Additional motor vehicle fuel tax 1,400 2,943 2,077 5,203	868 5,571
Delinquent motor vehicle fuel tax 534 240 137 150	182 96
Total collections \$550,239 \$663,400 \$696,584 \$722,217 \$760	
Less refunds (5,583) (11,602) (20,219) (23,409) (16	,533) (23,342)
Net motor vehicle fuel tax collections \$544,657 \$651,798 \$676,365 \$698,808 \$744	,276 \$796,282
Initial special fuel tax ⁶ \$90,825 \$0 \$0	\$0 \$0
Additional special fuel tax 2,077 0 0 0	0 0
Delinquent special fuel tax 655 0 0 0	0 0
Total special fuel tax collections \$93,556 \$0 \$0 \$0	\$0 \$0
	,463 \$1,337
Additional general aviation fuel tax 24 3 7 8	9 13
Delinquent general aviation fuel tax 9 4 3 0	4 5
Total general aviation fuel tax collections \$1,003 \$1,009 \$1,081 \$1	,476 \$1,354
Initial alternate fuel tax ⁷ \$248 \$1,311 \$1,544 \$1,496 \$1	,236 \$1,007
Additional alternate fuel tax 0 1,805 3 3	2 1
Delinquent alternate fuel tax 0 609 204 71	146 48
Total alternate fuel tax collections \$248 \$3,724 \$1,750 \$1,570 \$1	,385 \$1,057
TOTAL FUEL TAX COLLECTIONS \$639,464 \$656,525 \$679,124 \$701,459 \$747	,137 \$798,693

^{1.} For the 1993-94 through 1995-96 years, refunds to federal retirees are included in total.

Source: Revenue Accounting Section, Tax Processing Bureau, IS&E Division.

^{2.} Since present systems no longer allow us to track additional tax collections from the sales tax non-filer program, this account has been understated by \$12 to \$24 million a year since 1996.

^{3.} Gift and inheritance taxes were phased out over a 5-year period beginning with 20% reduction on 1/1/88; 40% reduction on 1/1/89; 60% reduction on 1/1/90; 80% reduction on 1/1/91 and 100% reduction on 1/1/92.

^{4.} Cigarette tax increased to \$0.38 on May 1, 1992; to \$0.44 on September 1, 1995; and to \$0.59 on November 1, 1997. 70% of cigarette taxes are refunded to Native American tribes if sold on Native American land.

^{5. 1993} Wis. Act 16, effective 4-1-94, made special fuel a motor vehicle fuel tax.

^{6.} Diesel fuel portion of special fuel tax collections move to motor vehicle fuel, effective 4-1-94.

^{7.} New alternate fuel tax effective 4-1-94 (includes LPG and CNG, formerly special fuels).

TABLE 3
USE TAX COLLECTIONS
(thousands)

_	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
STATE USE TAX						
Form ST-12 (initial)	N/A	N/A	N/A	\$144,691	\$154,887	\$226,903
Form 1 (initial)	N/A	N/A	N/A	1,351	1,267	1,389
Other (initial)	N/A	N/A	N/A	65,514	71,520	78,765
Additional & Delinquent	N/A	N/A	N/A	15,353	14,257	9,019
TOTAL _				\$226,908	\$241,933	\$316,076
COUNTY USE TAX						
Form ST-12 (initial)	N/A	N/A	N/A	\$8,315	\$8,762	\$9,823
Other (initial)	N/A	N/A	N/A	3,909	4,195	4,928
Additional & Delinquent	N/A	N/A	N/A	21	20	20
TOTAL _				\$12,244	\$12,977	\$14,771
STADIUM USE TAX						
Form ST-12 (initial)	N/A	N/A	N/A	\$1,274	\$1,041	\$2,082
Other (initial)	N/A	N/A	N/A	266	319	326
TOTAL _				\$1,541	\$1,360	\$2,408

All numbers listed are estimated with the exception of those listed for State Use Tax, Form 1 (initial).

Sales and use taxes are combined as one tax in the Division's information technology systems. Therefore, the amount of use tax collected cannot be exactly determined. This table presents estimates of the use tax portion of sales/use taxes collected.

Estimated use tax may be understated due to: a) omission of processing adjustments and office audit adjustments, and b) use tax reported as sales tax. Estimated use tax may be overstated due to liability reported but not paid.

 $Source: \ \ Audit \ Bureau \ and \ Revenue \ Accounting \ Section, \ Tax \ Processing \ Bureau, \ IS\&E \ Division.$

TABLE 4
TAX COLLECTION ADMINISTRATIVE COSTS
(thousands)

-	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
IS&E APPROPRIATIONS						
Business Tax Registration Fee	N/A	N/A	\$439	\$1,278	\$1,546	\$1,835
Collections Under Contracts	333	345	280	278	282	110
County Sales/Use Tax	1,142	1,209	1,307	1,816	2,122	2,265
Debt Collections	87	92	111	126	156	225
Delinquent Tax Collection Fee	6,676	6,562	7,138	9,735	10,063	10,327
Endangered Resources	12	14	20	23	22	26
General Purpose Revenue	28,911	30,599	31,109	31,964	32,786	36,028
Liquor Tax	241	130	95	97	156	148
Local Exposition District Tax	N/A	154	101	135	181	224
Motor Fuel Tax	883	874	996	966	1,001	942
Motor Vehicle Occasional Sales	N/A	N/A	188	425	529	388
Petroleum Inspection Fee	N/A	N/A	70	115	107	119
Publications / Rev. Stamps	269	292	299	271	257	304
Recycling Surcharge	147	159	166	225	228	250
Stadium Sales/Use Tax	N/A	N/A	129	685	361	346
Other ¹					113	215
BIS ALLOCATION TO IS&E ²	\$6,804	\$7,493	\$7,687	\$3,931	\$3,803	\$3,964
TOTAL _	\$45,505	\$47,923	\$50,134	\$52,069	\$53,713	\$57,714

^{1.} Includes Dry Cleaner, Resort, and Rental Vehicle Tax.

Source: IS&E Division Administration

^{2.} In 1996-97, Bureau of Information Systems (BIS) applications development staff supporting IS&E systems were transferred to IS&E.

TABLE 5
DELINQUENT TAXES
(thousands)

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
BEGINNING BALANCE						
Individual income	\$216,442	\$201,735	\$234,479	\$256,461	\$275,662	\$ 312,410
Withholding	207,996	214,327	228,181	267,443	249,304	242,174
Corporation franchise/income	35,808	37,874	44,007	55,566	41,022	56,075
Sales/use	215,258	219,050	232,714	269,067	254,241	218,919
Miscellaneous 1	41,500	51,027	51,151	64,129	57,445	58,640
TOTAL DELINQUENCIES 2	\$717,004	\$724,013	\$790,532	\$912,666	\$877,673	\$ 888,218
CREDITS (CASH COLLECTIONS, R	EFUND OFFS	SETS, ETC.)				
Individual income	\$83,790	\$91,482	\$98,727	\$101,558	\$113,612	\$109,331
Withholding	137,971	124,427	125,252	155,145	174,050	247,874
Corporation franchise/income	8,454	12,758	12,135	26,797	18,208	53,201
Sales/use	70,294	79,427	106,077	142,528	156,514	216,247
Miscellaneous 1	3,915	6,252	5,508	15,244	8,019	21,453
TOTAL CREDITS	\$304,424	\$314,346	\$347,700	\$441,272	\$470,402	\$ 648,105
DEBITS (NEW ACCOUNTS, INTERE	EST & FEES)	3				
Individual income	\$69,084	\$124,226	\$120,709	\$120,759	\$152,972	\$103,948
Withholding	144,303	138,281	164,514	137,006	161,287	173,195
Corporation franchise/income	10,520	18,890	23,695	12,252	24,034	18,541
Sales/use	74,087	93,091	142,430	127,701	152,385	135,316
Miscellaneous 1	13,433	6,375	18,487	8,560	8,641	4,659
TOTAL DEBITS	\$311,427	\$380,863	\$469,835	\$406,279	\$499,320	\$ 435,659
ENDING BALANCES						
Individual income	\$201,735	\$234,479	\$256,461	\$275,662	\$315,022	\$307,027
Withholding	214,327	228,181	267,443	249,304	236,541	167,496
Corporation franchise/income	37,874	44,007	55,566	41,022	46,848	21,416
Sales/use	219,050	232,714	269,067	254,241	250,112	137,987
Miscellaneous 1	51,027	51,151	64,129	57,445	58,068	41,846
TOTAL DELINQUENCIES 4	\$724,013	\$790,532	\$912,666	\$877,673	\$906,591	\$ 675,772

^{1.} Miscellaneous includes aviation, business tax registration, drug, exposition, gift, inheritance & estate, liquor, manufacturing, motor fuel, real estate transfer, recycling, special fuel, tobacco, and utility. A delinquent tax collection fee was provided in 1991 Wisconsin Act 39, effective July 1, 1992. The posting of approximately \$31 million in collection fees caused the posting of approximately \$179 million in interest to inactive accounts.

Source: Compliance Bureau Delinquent Tax Report, IS&E Division

^{2.} The new delinquent tax system was implemented on July 1, 1998. As part of the conversion process, interest was updated on all accounts and the total on file was computed without including duplicate liabilities owed by multiple entities. These changes explain the difference between the ending balance for fiscal 1997-98 and the beginning balance for fiscal 1998-99.

^{3.} The delinquent tax collection fee increased from 4.5% to 6.5% of the delinquent account balance effective December 31, 1995, as provided in 1995 Wisconsin Act 27. The fee increase caused the posting of approximately \$116 million in interest.

^{4.} The reduced delinquent balance at the end of 1998-99 reflects the department's initial use of expanded write-off authority as part of post-amnesty legislation.

TABLE 6
DOCUMENTS FILED, REGISTERED ACCOUNTS & TAXPAYERS

Individual returns	_	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Paper keyed	INCOME TAX						
Paper scanned returns	Individual returns						
Electronic returns (ELF)	Paper keyed	2,631,006	2,505,179	2,496,185	2,251,811	1,890,245	1,804,729
Total returns		N/A	N/A	N/A	209,950	501,659	506,021
Total returns	Electronic returns (ELF)	90,092	125,461	195,906	229,743	352,889	466,029
Income_EFT payments (trusts est.)		2,721,098	2,630,640	2,692,091	2,691,504	2,744,793	2,776,779
Homestead credit claims	IncomeEFT payments (trusts est.)	N/A	1,124		7,154		4,194
Farmland preservation credit claims 23,800 23,742 23,175 22,522 21,659 21,888 Partnership returns 28,000 25,800 30,600 31,418 33,754 37,786 Corporation return - domestic - foreign 17,200 18,500 14,100 20,409 21,346 22,368 EFT payments made (corporation) N/A 51 488 1,142 2,066 3,050 Estimated tax, individual installments 745,600 274,300 208,600 216,161 232,389 246,674 Estimated tax, individual installments 745,600 745,100 778,200 825,201 911,010 815,907 Estimated tax, corporation installments 65,100 72,200 71,900 71,614 73,425 67,117 Total Number of Active Withholding Accounts semi-monthly 16,651 18,724 20,926 22,053 21,211 20,251 monthly 66,727 69,431 71,856 74,283 70,526 65,80 quarterly 24,537 24,131 23		242,928		216,687	195,747	175,038	
Corporation return - domestic	Farmland preservation credit claims	23,800	23,742	23,175	22,522		
EFT payments made (corporation) N/A 51 488 1,142 2,086 3,050 Estimated tax, individuals filing 207,400 207,300 208,600 216,161 232,389 246,674 Estimated tax, individual installments 745,600 745,100 778,200 825,201 911,010 815,907 Estimated tax, corporation installments 65,100 72,200 71,900 71,614 73,425 67,117 Total Number of Active Withholding Accounts	Partnership returns	28,000	25,800	30,600	31,418	33,754	37,786
EFT payments made (corporation) N/A 51 488 1,142 2,086 3,050 Estimated tax, individuals filing 207,400 207,300 208,600 216,161 232,389 246,674 Estimated tax, individual installments 745,600 745,100 778,200 825,201 911,010 815,907 Estimated tax, corporation installments 65,100 72,200 71,900 71,614 73,425 67,117 Total Number of Active Withholding Accounts semi-monthly 18,651 18,724 20,926 22,053 21,211 20,251 monthly 66,727 69,431 71,856 74,283 70,526 66,580 quarterly 24,537 24,131 23,905 23,877 32,040 40,053 annually 26,869 26,663 26,613 26,133 26,158 24,556 22,103 Total registered employers 136,784 138,949 143,000 146,371 148,333 148,987 Withholding reports 1,373,400 1,405,700 1,486,400 1,458,679 1,429,226 1,380,597 FIDUCIARY, INHERITANCE/ESTATE & GIFT TAXES Fiduciary returns 61,719 62,918 61,855 62,106 62,858 63,613 Closing certificates 11,441 10,923 10,116 13,819 10,629 10,675 Inheritance/Estate tax returns 1 1,675 1,076 1,205 2,226 2,498 2,668 Gift tax returns (donee) 1 373 75 39 39 22 42 SALES/USE TAX Account locations filing: monthly-due 20th of month 31,649 33,523 34,727 35,958 34,313 31,784 monthly-due 20th of month 45,830 46,150 47,146 48,533 46,239 41,954 quarterly 42,411 42,207 42,231 42,490 47,761 46,714 annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553	Corporation return - domestic	82,700	87,000	92,900	89,854	91,000	95,360
Estimated tax, individuals filing 207,400 207,300 208,600 216,161 232,389 246,674 Estimated tax, individual installments 745,600 745,100 778,200 825,201 911,010 815,907 Estimated tax, corporation installments 65,100 72,200 71,900 71,614 73,425 67,117 Total Number of Active Withholding Accounts semi-monthly 18,651 18,724 20,926 22,053 21,211 20,251 monthly 66,727 69,431 71,856 74,283 70,526 66,580 quarterly 24,537 24,131 23,905 23,877 32,040 40,053 annually 26,869 26,663 26,313 26,158 24,556 22,103 Total registered employers 136,784 138,949 143,000 146,371 148,333 148,987 Withholding reports 1,373,400 1,405,700 1,486,400 1,458,679 1,429,226 1,380,597 FIDUCIARY, INHERITANCE/ESTATE & GIFT TAXES Fiduciary returns 61,719 62,918 61,855 62,106 62,858 63,613 Closing certificates 11,441 10,923 10,116 13,819 10,629 10,675 Inheritance/Estate tax returns 1 1,675 1,076 1,205 2,226 2,498 2,668 Gift tax returns (donee) 1 373 75 39 39 22 42 SALES/USE TAX Account locations filing: monthly-due 20th of month 31,649 33,523 34,727 35,958 34,313 31,784 monthly-due last day of month 45,830 46,150 47,146 48,533 46,239 41,954 quarterly 42,411 42,207 42,231 42,490 47,761 46,714 annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 1199,139 167,553	- foreign	17,200	18,500	14,100	20,409	21,346	22,368
Estimated tax, individual installments 745,600 745,100 778,200 825,201 911,010 815,907 Estimated tax, corporation installments 65,100 72,200 71,900 71,614 73,425 67,117 Total Number of Active Withholding Accounts semi-monthly 66,727 69,431 71,856 74,283 21,211 20,251 monthly 66,727 69,431 71,856 74,283 21,211 20,251 monthly 24,537 24,131 23,905 23,877 32,040 40,053 annually 26,869 26,663 26,313 26,158 24,556 22,103 Total registered employers 136,784 138,949 143,000 146,371 148,333 148,987 Withholding reports 1,373,400 1,405,700 1,486,400 1,458,679 1,429,226 1,380,597 FIDUCIARY, INHERITANCE/ESTATE & GIFT TAXES Fiduciary returns 61,719 62,918 61,855 62,106 62,858 63,613 Closing certificates 11,441 10,923 10,116 13,819 10,629 110,675 Inheritance/Estate tax returns 1 1,675 1,076 1,205 2,226 2,498 2,668 Gift tax returns (donee) 1 373 75 39 39 22 42 SALES/USE TAX Account locations filing: monthly-due 20th of month 31,649 33,523 34,727 35,958 34,313 31,784 monthly-due last day of month 45,830 46,150 47,146 48,533 46,239 41,954 quarterly 42,411 42,207 42,231 42,490 47,761 46,714 annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 1199,139 167,553	EFT payments made (corporation)	N/A	51	488	1,142	2,086	3,050
Estimated tax, corporation installments 65,100 72,200 71,900 71,614 73,425 67,117 Total Number of Active Withholding Accounts semi-monthly 18,651 18,724 20,926 22,053 21,211 20,251 monthly 66,727 69,431 71,866 74,283 70,526 66,580 quarterly 24,537 24,131 23,905 23,877 32,040 40,053 annually 26,869 26,663 26,313 26,158 24,556 22,103 Total registered employers 136,784 138,949 143,000 146,371 148,333 148,987 Withholding reports 1,373,400 1,405,700 1,486,400 1,458,679 1,429,226 1,380,597 FIDUCIARY, INHERITANCE/ESTATE & GIFT TAXES Fiduciary returns 61,719 62,918 61,855 62,106 62,858 63,613 Closing certificates 11,441 10,923 10,116 13,819 10,629 10,675 Inheritance/Estate tax returns 1 1,675 1,076 1,205 2,226 2,498 2,668 Gift tax returns (donee) 1 373 75 39 39 22 42 SALES/USE TAX Account locations filing: monthly-due 20th of month 31,649 33,523 34,727 35,958 34,313 31,784 monthly-due last day of month 45,830 46,150 47,146 48,533 46,239 41,954 quarterly 42,411 42,207 42,231 42,490 47,761 46,714 annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553	Estimated tax, individuals filing	207,400	207,300	208,600	216,161	232,389	246,674
Total Number of Active Withholding Accounts semi-monthly 18,651 18,724 20,926 22,053 21,211 20,251 monthly 66,727 69,431 71,856 74,283 70,526 66,580 quarterly 24,537 24,131 23,905 23,877 32,040 40,053 annually 26,869 26,663 26,313 26,158 24,556 22,103 Total registered employers 136,784 138,949 143,000 146,371 148,333 148,987 Withholding reports 1,373,400 1,405,700 1,486,400 1,458,679 1,429,226 1,380,597 FIDUCIARY, INHERITANCE/ESTATE & GIFT TAXES Fiduciary returns 61,719 62,918 61,855 62,106 62,858 63,613 Closing certificates 11,441 10,923 10,116 13,819 10,629 10,675 Inheritance/Estate tax returns 1 1,675 1,076 1,205 2,226 2,498 2,668 Gift tax returns (donee) 1 373 75 39 39 22 42 SALES/USE TAX Account locations filing: monthly-due 20th of month 31,649 33,523 34,727 35,958 34,313 31,784 monthly-due last day of month 45,830 46,150 47,146 48,533 46,239 41,954 quarterly 42,411 42,207 42,231 42,490 47,761 46,714 annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553	Estimated tax, individual installments	745,600	745,100	778,200	825,201	911,010	815,907
semi-monthly monthly 18,651 18,724 20,926 22,053 21,211 20,251 monthly 66,727 69,431 71,856 74,283 70,526 66,580 66,580 71,856 74,283 70,526 66,580 66,580 24,537 24,131 23,905 23,877 32,040 40,053 21,033 26,158 24,556 22,103 Total registered employers 136,784 138,949 143,000 146,371 148,333 148,987 Withholding reports 1,373,400 1,405,700 1,486,400 1,458,679 1,429,226 1,380,597 FIDUCIARY, INHERITANCE/ESTATE & GIFT TAXES Fiduciary returns 61,719 62,918 61,855 62,106 62,858 63,613 Closing certificates 11,441 10,923 10,116 13,819 10,629 10,675 Inheritance/Estate tax returns ¹ 1,675 1,076 1,205 2,226 2,498 2,668 Gift tax returns (donee) ¹ 373 75 39 39	Estimated tax, corporation installments	65,100	72,200	71,900	71,614	73,425	67,117
monthly quarterly quarterly quarterly 24,537 69,431 24,131 71,856 23,905 74,283 70,526 66,580 40,053 annually 66,727 24,131 23,905 23,877 32,040 32,040 40,053 40,053 annually 26,869 26,663 26,663 26,313 26,158 24,556 22,103 Total registered employers 136,784 138,949 143,000 146,371 148,333 148,987 Withholding reports 1,373,400 1,405,700 1,486,400 1,458,679 1,429,226 1,380,597 FIDUCIARY, INHERITANCE/ESTATE & GIFT TAXES Fiduciary returns 61,719 62,918 61,855 62,106 62,858 63,613 Closing certificates 11,441 10,923 10,116 13,819 10,629 10,675 Inheritance/Estate tax returns of 1 1,675 1,076 1,205 2,226 2,498 2,668 Gift tax returns (donee) 1 373 75 39 39 39 22 42 SALES/USE TAX Account locations filing: monthly-due 20th o	Total Number of Active Withholding Acco	unts					
quarterly annually 24,537 26,869 24,131 23,905 26,633 23,877 26,158 32,040 24,556 40,053 22,103 Total registered employers 136,784 138,949 143,000 146,371 148,333 148,987 Withholding reports 1,373,400 1,405,700 1,486,400 1,458,679 1,429,226 1,380,597 FIDUCIARY, INHERITANCE/ESTATE & GIFT TAXES Fiduciary returns 61,719 62,918 61,855 62,106 62,858 63,613 Closing certificates 11,441 10,923 10,116 13,819 10,629 10,675 Inheritance/Estate tax returns of infigurent in the returns (donee) of the returns of the return of the retu	semi-monthly	18,651	18,724	20,926	22,053	21,211	20,251
Annually 26,869 26,663 26,313 26,158 24,556 22,103 Total registered employers 136,784 138,949 143,000 146,371 148,333 148,987 Withholding reports 1,373,400 1,405,700 1,486,400 1,458,679 1,429,226 1,380,597 FIDUCIARY, INHERITANCE/ESTATE & GIFT TAXES Fiduciary returns 61,719 62,918 61,855 62,106 62,858 63,613 Closing certificates 11,441 10,923 10,116 13,819 10,629 10,675 Inheritance/Estate tax returns 1 1,675 1,076 1,205 2,226 2,498 2,668 Gift tax returns (donee) 1 373 75 39 39 22 42 SALES/USE TAX Account locations filing: monthly-due 20th of month 31,649 33,523 34,727 35,958 34,313 31,784 monthly-due last day of month 45,830 46,150 47,146 48,533 46,239 41,954 quarterly 42,411 42,207 42,231 42,490 47,761 46,714 annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553	monthly	66,727	69,431	71,856	74,283	70,526	66,580
Total registered employers 136,784 138,949 143,000 146,371 148,333 148,987 Withholding reports 1,373,400 1,405,700 1,486,400 1,458,679 1,429,226 1,380,597 FIDUCIARY, INHERITANCE/ESTATE & GIFT TAXES Fiduciary returns 61,719 62,918 61,855 62,106 62,858 63,613 Closing certificates 11,441 10,923 10,116 13,819 10,629 10,675 Inheritance/Estate tax returns 1 1,675 1,076 1,205 2,226 2,498 2,668 Gift tax returns (donee) 1 373 75 39 39 22 42 SALES/USE TAX Account locations filing: monthly-due 20th of month 31,649 33,523 34,727 35,958 34,313 31,784 monthly-due last day of month 45,830 46,150 47,146 48,533 46,239 41,954 quarterly 42,411 42,207 42,231 42,490 47,761 46,714 annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553	quarterly	24,537	24,131	23,905	23,877	32,040	40,053
Withholding reports 1,373,400 1,405,700 1,486,400 1,458,679 1,429,226 1,380,597 FIDUCIARY, INHERITANCE/ESTATE & GIFT TAXES Fiduciary returns 61,719 62,918 61,855 62,106 62,858 63,613 Closing certificates 11,441 10,923 10,116 13,819 10,629 10,675 Inheritance/Estate tax returns 1 1,675 1,076 1,205 2,226 2,498 2,668 Gift tax returns (donee) 1 373 75 39 39 22 42 SALES/USE TAX Account locations filing: monthly-due 20th of month 31,649 33,523 34,727 35,958 34,313 31,784 monthly-due last day of month 45,830 46,150 47,146 48,533 46,239 41,954 quarterly 42,411 42,207 42,231 42,490 47,761 46,714 annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553	annually	26,869	26,663	26,313	26,158	24,556	22,103
FIDUCIARY, INHERITANCE/ESTATE & GIFT TAXES Fiduciary returns 61,719 62,918 61,855 62,106 62,858 63,613 Closing certificates 111,441 10,923 10,116 13,819 10,629 10,675 Inheritance/Estate tax returns 1 1,675 1,076 1,205 2,226 2,498 2,668 Gift tax returns (donee) 1 373 75 39 39 22 42 SALES/USE TAX Account locations filing: monthly-due 20th of month 31,649 33,523 34,727 35,958 34,313 31,784 monthly-due last day of month 45,830 46,150 47,146 48,533 46,239 41,954 quarterly 42,411 42,207 42,231 42,490 47,761 46,714 annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553	Total registered employers	136,784	138,949	143,000	146,371	148,333	148,987
Fiduciary returns 61,719 62,918 61,855 62,106 62,858 63,613 Closing certificates 11,441 10,923 10,116 13,819 10,629 10,675 Inheritance/Estate tax returns 1 1,675 1,076 1,205 2,226 2,498 2,668 Gift tax returns (donee) 1 373 75 39 39 22 42 SALES/USE TAX Account locations filing: monthly-due 20th of month 31,649 33,523 34,727 35,958 34,313 31,784 monthly-due last day of month 45,830 46,150 47,146 48,533 46,239 41,954 quarterly 42,411 42,207 42,231 42,490 47,761 46,714 annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553	Withholding reports	1,373,400	1,405,700	1,486,400	1,458,679	1,429,226	1,380,597
Closing certificates 11,441 10,923 10,116 13,819 10,629 10,675 Inheritance/Estate tax returns 1 1,675 1,076 1,205 2,226 2,498 2,668 Gift tax returns (donee) 1 373 75 39 39 22 42 SALES/USE TAX Account locations filing: monthly-due 20th of month 31,649 33,523 34,727 35,958 34,313 31,784 monthly-due last day of month 45,830 46,150 47,146 48,533 46,239 41,954 quarterly 42,411 42,207 42,231 42,490 47,761 46,714 annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553	FIDUCIARY, INHERITANCE/ESTATE & GIF	T TAXES					
Closing certificates 11,441 10,923 10,116 13,819 10,629 10,675 Inheritance/Estate tax returns 1 1,675 1,076 1,205 2,226 2,498 2,668 Gift tax returns (donee) 1 373 75 39 39 22 42 SALES/USE TAX Account locations filing: monthly-due 20th of month 31,649 33,523 34,727 35,958 34,313 31,784 monthly-due last day of month 45,830 46,150 47,146 48,533 46,239 41,954 quarterly 42,411 42,207 42,231 42,490 47,761 46,714 annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553	Fiduciary returns	61,719	62,918	61,855	62,106	62,858	63,613
Inheritance/Estate tax returns ¹ 1,675 1,076 1,205 2,226 2,498 2,668 Gift tax returns (donee) ¹ 373 75 39 39 22 42 SALES/USE TAX Account locations filing: monthly-due 20th of month 31,649 33,523 34,727 35,958 34,313 31,784 monthly-due last day of month 45,830 46,150 47,146 48,533 46,239 41,954 quarterly 42,411 42,207 42,231 42,490 47,761 46,714 annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553		11,441	10,923	10,116	13,819	10,629	10,675
Gift tax returns (donee) 1 373 75 39 39 22 42 SALES/USE TAX Account locations filing: monthly-due 20th of month 31,649 33,523 34,727 35,958 34,313 31,784 monthly-due last day of month 45,830 46,150 47,146 48,533 46,239 41,954 quarterly 42,411 42,207 42,231 42,490 47,761 46,714 annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553	Inheritance/Estate tax returns 1	1.675	1.076	1.205	2.226	2.498	2,668
Account locations filing: monthly-due 20th of month 31,649 33,523 34,727 35,958 34,313 31,784 monthly-due last day of month 45,830 46,150 47,146 48,533 46,239 41,954 quarterly 42,411 42,207 42,231 42,490 47,761 46,714 annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553			,	,	,	•	,
monthly-due 20th of month 31,649 33,523 34,727 35,958 34,313 31,784 monthly-due last day of month 45,830 46,150 47,146 48,533 46,239 41,954 quarterly 42,411 42,207 42,231 42,490 47,761 46,714 annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553	SALES/USE TAX						
monthly-due 20th of month 31,649 33,523 34,727 35,958 34,313 31,784 monthly-due last day of month 45,830 46,150 47,146 48,533 46,239 41,954 quarterly 42,411 42,207 42,231 42,490 47,761 46,714 annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553	Account locations filing:						
monthly-due last day of month quarterly quarterly annually 45,830 quarterly 42,411 quarterly 42,207 quarterly 42,411 quarterly 42,207 quarterly 42,411 quarterly 42,411 quarterly 42,231 quarterly 42,490 quarterly 42,411 quarterly 42,207 quarterly 42,231 quarterly 42,490 quarterly 75,385 qu		31.649	33.523	34.727	35.958	34.313	31.784
quarterly annually 42,411 42,207 42,231 42,490 47,761 46,714 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553	-	•				,	
annually 75,385 76,986 78,127 77,051 73,865 66,658 Total registered account locations 195,275 198,866 202,231 204,032 202,178 187,110 Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553							
Total active registrants 166,410 168,942 170,689 171,106 169,139 167,553	•						
	Total registered account locations	195,275	198,866	202,231	204,032	202,178	187,110
Sales/use tax returns 1,174,800 1,201,900 1,229,500 1,012,576 997,817 949,475	Total active registrants	166,410	168,942	170,689	171,106	169,139	167,553
	Sales/use tax returns	1,174,800	1,201,900	1,229,500	1,012,576	997,817	949,475

TABLE 6-CONTINUED

DOCUMENTS FILED, REGISTERED ACCOUNTS & TAXPAYERS

_	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
BEVERAGE & TOBACCO TAX						
Tobacco permits	1,243	1,254	1,358	1,661	1,865	2,450
Beer permits	310	334	375	400	434	530
Liquor permits	3,801	3,688	3,765	4,022	4,239	4,613
Total permits	5,354	5,276	5,498	6,083	6,538	7,593
Returns	8,506	9,389	9,575	10,176	11,138	11,603
MOTOR FUEL TAX						
Motor fuel licensees ²	853	128	124	126	131	131
Special fuel licensees 3	2,049	0	0	0	0	0
General aviation licensees	151	194	184	181	180	172
Alternate fuel licensees 4	192	226	196	193	188	181
Transporter certificates	248	264	242	250	245	243
Total licensees/registrants	3,493	812	746	750	744	727
Returns ²	26,842	4,965	4,815	4,641	6,491	4,387
Refund claims	14,402	13,710	16,163	13,152	12,989	15,904
Exemption certificates 5	19,200	0	0	0	0	0
LOCAL EXPOSITION DISTRICT TAX						
Returns	N/A	2,969	13,985	15,615	13,767	11,411

^{1.} Gift and inheritance taxes were phased out over a 5-year period beginning with 20% reduction on 1/1/88; 40% reduction on 1/1/89; 60% reduction on 1/1/90; 80% reduction on 1/1/91 and 100% reduction on 1/1/92.

Source: Tax Processing Bureau, IS&E Division

^{2.} The point of taxing diesel fuel and motor fuel was moved to the terminal level effective 4/1/94, in 1993 Wisconsin Act 16.

^{3.} Special fuel tax eliminated as of 4/1/94 in 1993 Wisconsin Act 16.

^{4.} Alternate fuel tax effective as of 4/1/94 in 1993 Wisconsin Act 16.

^{5.} Exemption program eliminated as of 4/1/94 in 1993 Wisconsin Act 437.

TABLE 7
REFUNDS ISSUED

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
NUMBER OF REFUNDS ISSUED						
Individual income	1,848,931	1,913,112	1,930,277	1,866,498	1,839,477	2,035,868
Corporation	9,562	10,959	14,057	15,134	14,557	16,245
Sales and Use tax	16,691	16,449	18,282	25,603	49,794	49,447
Gift tax	3	9	9	0	0	0
Inheritance/Estate tax	296	219	171	180	187	182
Excise taxes	673	655	656	587	545	543
Temporary recycling surcharge	3,107	377	602	716	918	810
Motor fuel taxes	14,402	13,710	16,163	13,152	12,989	15,904
Exposition center taxes	N/A	2	158	322	286	186
Stadium sales tax	N/A	N/A	43	402	240	30
Withholding tax	6,251	8,049	7,911	7,535	7,616	7,024
TOTAL NUMBER OF REFUNDS ISSUED	1,899,916	1,963,541	1,988,329	1,930,129	1,926,609	2,126,239
AMOUNT OF REFUNDS ISSUED						
Individual income	\$627,601,143	\$661,907,930	\$672,291,934	\$657,965,626	\$ 652,389,882	\$ 889,833,273
Corporation	54,175,108	59,335,743	77,383,798	82,328,455	107,488,313	109,463,792
Sales and Use tax	155,038,988	152,342,766	157,298,071	171,368,992	200,146,586	197,589,048
Gift tax	1,216	7,939	8,182	0	0	0
Inheritance/Estate tax	934,794	1,317,594	890,487	2,122,745	2,216,569	1,887,786
Excise taxes	2,388,092	2,007,558	2,468,295	2,012,318	2,157,027	2,265,109
Temporary recycling surcharge	777,123	80,713	234,936	311,757	501,767	437,188
Motor fuel taxes	8,327,009	19,640,104	20,281,814	23,295,568	16,375,863	22,361,814
Exposition center taxes	N/A	2,203,016	9,563,693	10,740,487	10,785,213	13,092,749
Stadium sales tax	N/A	N/A	5,352,363	17,191,165	18,474,849	20,598,125
Withholding tax	3,123,414	4,557,799	19,419,379	25,565,018	8,474,627	13,256,630
TOTAL AMOUNT OF REFUNDS ISSUED	\$852,366,887	\$903,401,162	\$965,192,952	\$992,902,131	\$1,019,010,696	\$1,270,785,515

Source: Tax Processing Bureau, IS&E Division

TABLE 8
SETOFF PROGRAMS

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
DELINQUENT TAX SETOFFS						
Individual income tax	\$3,382,868	\$3,740,442	\$4,004,900	\$4,177,470	\$5,531,110	\$6,305,606
Corporation income/franchise tax	83,685	65,239	92,256	57,189	190,501	319,872
Withholding income tax	718,371	796,247	796,751	833,378	1,209,499	1,339,394
Sales/use tax	1,937,690	1,832,827	1,832,754	2,026,730	2,496,511	2,789,147
Miscellaneous ¹	74,440	85,030	104,910	133,313	134,402	112,598
TOTAL DELINQUENT SETOFFS	\$6,197,054	\$6,519,785	\$6,831,571	\$7,228,080	\$9,562,023	\$10,866,617
AGENCY SETOFFS						
Health & Family Services ²	\$7,578,817	\$8,824,863	\$10,774,171	\$7,930	\$6,227	\$6,686
Transportation	9,893	12,214	11,414	10,898	8,338	12,291
Justice	515	410	605	394	2,299	1,174
Veterans Affairs	26,947	36,074	31,916	24,367	26,853	19,458
Workforce Development ²	422,892	580,719	728,485	12,580,125	12,943,842	12,189,316
Natural Resources	744	1,344	1,753	786	1,391	1,695
Insurance Commission	12	0	261	36	285	8,124
University of Wisconsin	N/A	N/A	1,049	3,916	4,773	11,068
County & municipal	N/A	N/A	3,143	258,757	1,154,695	147,888
TOTAL AGENCY SETOFFS	\$8,039,820	\$9,455,624	\$11,552,797	\$12,887,209	\$14,148,703	\$12,397,701

^{1.} Miscellaneous includes aviation, business tax registration, drug, exposition, gift, inheritance & estate, liquor, manufacturing, motor vehicle fuel, real estate transfer, recycling, special fuel, tobacco, and utility.

Source: Compliance Bureau and IS&E Division Administration

TABLE 9
REFUND CLAIMS REDUCED/DENIED

_	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Individual income tax ¹ Corporation income/franchise tax	N/A N/A	N/A N/A	\$1,393,565 6,189,954	\$897,879 12,852,355	\$975,350 21,201,547	\$1,195,794 15,778,034
Sales/use tax	N/A	N/A	N/A	538,747	4,577,931	5,605,381
Farmland Credits	N/A	N/A	530,776	639,612	255,547	595,922
Homestead credit ²	N/A	N/A	10,237,197	9,022,984	7,744,693	6,805,326
Earned Income Credit	N/A	N/A	N/A	1,032,984	608,011	697,557
_						
TOTAL			\$18,351,492	\$24,984,561	\$35,363,079	\$30,678,014

^{1.} Data on refund claims denied was not captured prior to 1996-97 for sales/use tax and prior to 1995-96 for other tax and credit types.

Source: Audit Bureau, IS&E Division

^{2.} Responsibility for child support collections, and collections of entitlement overpayments, was transferred from the Department of Health and Family Services to the Department of Workforce Development in 1996-97.

^{2.} Starting with FY99, the division has changed the definition of this category. Homestead credit now includes refunds claims adjusted/reduced/denied due to the screening of claims prior to processing. These amounts may also be included in processing statistics elsewhere in this report.

TABLE 10
TAXPAYER ASSISTANCE

_	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
OFFICE VISITS						
Appleton	24,874	23,572	29,600	28,708	25,139	21,147
Eau Claire	22,423	22,726	22,642	21,940	25,837	21,237
Madison	33,873	32,164	39,347	36,090	46,778	38,830
Milwaukee	35,326	42,953	47,662	48,693	39,177	41,309
Total -	116,496	121,415	139,251	135,431	136,931	122,523
TELEPHONE CALLS						
Appleton	39,699	35,441	36,253	39,491	38,562	33,676
Eau Claire	34,241	33,541	28,858	27,268	30,178	27,274
Madison	482,704	492,171	557,702	642,341	1,270,707	859,344
Milwaukee	146,313	144,415	155,393	127,538	123,564	127,310
Total -	702,957	705,568	778,206	836,638	1,463,011	1,047,604
VOICE RESPONSE UNIT CALLS	202,206	332,149	263,650	425,434	634,345	805,284

^{1.} The division currently has three Voice Response Units (VRU): two in Madison and one in Milwaukee. Two of the units have 48 lines each and the other VRU unit has 16 lines.

Source: IS&E Division Administration